

Amendment No. 1 to SB2929

Crowe  
Signature of Sponsor

**AMEND Senate Bill No. 2929**

**House Bill No. 2969\***

by deleting all language after the enacting clause and substituting the following:

SECTION 1. Tennessee Code Annotated, Section 71-5-1402, is amended by deleting subsection (g) and substituting instead the following language:

(g) Notwithstanding any other law to the contrary, the commissioner shall propose specific separate amounts to be appropriated in each year's appropriations bill for expenditures for nursing facility services and home- and community-based services.

SECTION 2. Tennessee Code Annotated, Section 71-5-1407, is amended by deleting subsection (a) in its entirety and substituting the following:

(a) The commissioner shall develop level of care criteria for new nursing facility admissions that ensure that the most intensive level of long-term care services is provided to persons with the highest level of need. The bureau of TennCare shall define the state's medical eligibility criteria for all long-term care services, including nursing facility and home and community-based waiver services and adopt such standards in a rulemaking hearing in which interested persons may provide testimony pursuant to Uniform Administrative Procedures Act, compiled in title 4, chapter 5. The bureau of TennCare shall develop the pre-admission evaluation (PAE) assessment tool, and shall make the determination of medical eligibility for long-term care services.

SECTION 3. Tennessee Code Annotated, Section 71-5-1412, is amended by deleting the current section in its entirety and inserting the following

71-5-1412.

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(a) Any managed care organization (MCO) shall contract with any nursing facility licensed under Title 68, Chapter 11, Part 2, that provides nursing facility medicaid services and are willing to contract with the MCO under the same terms and conditions as are offered to any other nursing facility contracted with the MCO under any policy, contract or plan that is part of the TennCare managed long-term care service delivery system.

(b) Nothing in this section shall prevent a contracting nursing facility from terminating any MCO agreement and/or its medicaid provider agreement at any time, so long as such termination complies with the regulations of TennCare and/or medicare.

SECTION 4. Tennessee Code Annotated, Section 71-5-1413, is amended by adding the following as new subsections:

(d) The comptroller of the treasury shall set the medicaid rates for nursing facility services under the cost-based nursing facility reimbursement system and any acuity-based reimbursement system developed pursuant to this section and adopted in a rulemaking hearing in which interested persons may provide testimony under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5. To the extent possible, any acuity-based reimbursement system shall be implemented in conjunction with the implementation of § 71-5-1407.

(e) Under any TennCare dual-eligible demonstration project medicare covered nursing facility services shall be reimbursed at the prevailing medicare rate.

SECTION 5. Tennessee Code Annotated, Section 71-5-1421, is amended by deleting the current section in its entirety and inserting the following:

71-5-1421. Any managed care organization shall comply with the provisions of § 56-32-126 and any prompt pay provisions within the MCO contractor risk agreements with TennCare. In addition, the MCO shall ensure that ninety percent (90%) of clean claims for nursing facility services shall be processed and paid within fourteen (14) calendar days and ninety-nine and one-half percent (99.5%) paid within twenty-one (21) days.

SECTION 6. This act shall take effect on becoming law, the public welfare requiring it.